

Message Text

LIMITED OFFICIAL USE POSS DUPE

PAGE 01 OECD P 04344 201238Z

45

ACTION EUR-25

INFO OCT-01 EA-11 NEA-10 IO-14 ISO-00 SS-20 STR-08 DOTE-00

L-03 H-03 NSC-10 CIAE-00 DODE-00 INR-10 NSAE-00 PA-04

RSC-01 USIA-15 PRS-01 SPC-03 SAM-01 AID-20 CEA-02

COME-00 EB-11 FRB-02 OPIC-12 TRSE-00 CIEP-02 LAB-06

SIL-01 SWF-02 OMB-01 CG-00 OIC-04 DRC-01 AGR-20 /224 W

----- 101908

R 201115Z FEB 74

FM USMISSION OECD PARIS

TO SECSTATE WASHDC 1867

INFO AMEMBASSY ATHENS

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

USMISSION GENEVA

AMCONSUL HAMBURG

LIMITED OFFICIAL USE OECD PARIS 4344

GENEVA FOR DEP. ASST. SECY WALDMANN

E.O. 11652: N/A

TAGS: ETRN, OECD

SUBJECT: MTC: SPECIAL GROUP MEETING ON UNCTAD CODE OF
CONDUCT FOR LINER CONFERENCES, FEB. 13-15

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 04344 201238Z

REF: A. USOECD 4210 B. TD/CODE/7

1. SUMMARY: REF A REPORTED FIRST HALF SUBJECT MEETING. FOLLOWING ARE HIGHLIGHTS OF REMAINDER, DEVOTED LARGELY TO IMPLEMENTATION ISSUE AND TO FINAL CLAUSES OF PROPOSED CODE OF CONDUCT FOR LINER CONFERENCES REF B. END SUMMARY.

2. CONCILIATION PROCEDURES: SELVIG (NORWAY) SAID POSSIBILITY OF PERMANENT SECRETARIAT AND DEGREE OF CODIFICATION OF CONCILIATION PROCEDURES WERE MOST CRITICAL ISSUES; HE CONSIDERED MEANS OF CHOICE OF CONCILIATION AND PLACE OF CONCILIATION AS LESS DIFFICULT. U.S. DEL EXPLAINED U.S. TENDENCY TO FAIRLY FORMALIZED PROCEDURES, ADDING THAT CHOICE OF SYSTEM TO BE ADOPTED SHOULD DEPEND ON WHETHER POLICY OBJECTIVE WAS TO OBTAIN EFFECTIVE AND FAIR CONCILIATION SYSTEM. MOST SUCCEEDING SPEAKERS AGREED EFFECTIVE DISPUTE-SETTLEMENT MACHINERY DEVISABLE BUT WISHED TO MINIMIZE INSTITUTIONALIZATION OF CONCILIATION PROCEDURES.

3. ISSUES SUBJECT TO CONCILIATION: SG AGREED THAT NEITHER INDIVIDUAL FREIGHT RATES NOR LEVEL OF FREIGHT RATES SHOULD BE INCLUDED IN LIST ARTICLE 1 PARA 3 OF SECTION F.1. F DRAFT CODE. FRG ALSO RAISED OBJECTION TO ITEM (D), RE CONSISTENCY OF CONFERENCE AGREEMENTS WITH CODE, BUT NORWAY ARGUED THAT THIS COVERED BY PRESIDENT'S PACKAGE. THIS TOPIC OVERLAPPED WITH LOCAL CONCILIATION ISSUE, ESPECIALLY AS TO DISPOSITION OF DISPUTES NOT EXPLICITLY IDENTIFIED IN ARTICLE 1 PARA 3. GREEK PAPER CIRCULATED BUT NOT DISCUSSED, PROPOSED TO SOLVE PROBLEM BY REQUIRING CONFERENCE AGREEMENTS TO CONTAIN DISPUTE-SETTLEMENT PROCEDURE FOR REMAINING DISPUTES. MOST DELS HOWEVER FELT THAT DISPUTES NOT EXPLICITLY MENTIONED IN SECTION F AND NOT RESOLVED THROUGH PRIOR AGREEMENT OF PARTIES WOULD BE LEFT TO NATIONAL REMEDIES FOR RESOLUTION.

4. ROLE OF GOVERNMENT IN CONCILIATION: U.S. DEL SET FORTH DRAFT U.S. POSITION WITH THREE FALL-BACKS. SUBSEQUENT LENGTHY DISCUSSION BOILED DOWN TO TWO MAIN LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 03 OECD P 04344 201238Z

ISSUES: 1) EVEN IF APPROPRIATE AUTHORITIES NOT LISTED AS PARTY IN ART. 1, PARA 1, SECTION F.1, THEY COULD BE PARTY AS REPRESENTATIVE OF SHIPPERS, ESPECIALLY WHERE LATTER HAD NO ORGANIZATION; 2) IN ANY EVENT GOVERNMENT OR APPROPRIATE AUTHORITIES WOULD NOT HAVE DECISION-MAKING ROLE. FRENCH REP MOST EXPLICITLY STATES THAT RECOMMENDATION WOULD BE FUNCTION OF CONCILIATORS. SG DISAGREED AS TO WHETHER GOVERNMENT COULD INITIATE CONCILIATION PROCEDURE (THIS RELATED ALSO TO DIFFERENCE BETWEEN TWO ALTERNATIVES FOR PARA 46 ON CONSULTATION).

5. TIME LIMITS ON CONCILIATION: U.S. DEL EXPLAINED INTEREST IN MINIMUM TIME PERIOD FOR CONCILIATION DECISIONS, ESPECIALLY REGARDING FREIGHT RATE INCREASES, BUT NOTED IT UNREALISTIC TO EXPECT 90-DAY OVERALL LIMIT COMPATIBLE WITH 90-DAY ADVANCE NOTICE FOR RATE INCREASES. OTHER DELS SPLIT FAIRLY EVENLY ON WHETHER CONCILIATION RESULT FEASIBLE WITHIN 90 OR 120 DAYS BUT ALL ARGUED THAT IN EITHER EVENT RATE INCREASE COULD TAKE EFFECT AT END OF NOTICE PERIOD. ALTHOUGH U.S. AND SOME OTHERS EXPRESSED DISTASTE FOR RETROACTIVITY OF CONCILIATION DECISION (WHICH WOULD REQUIRE REFUND PAYMENTS), NO AGREEMENT REACHED THIS ISSUE. ONE VIEW WAS THAT CODE SHOULD NOT PROVIDE FOR RETROACTIVITY BUT PERMIT CONCILIATORS TO INCLUDE IT AS PART OF DECISION.

6. FINAL CLAUSES: ONLY TOPIC EXTENSIVELY DISCUSSED WAS ENTRY INTO FORCE PROVISION. WITH EXCEPTION OF FRANCE, SG UNANIMOUSLY SUPPORTED POLISH PROPOSAL OR VARIANT (E.G. INCREASING LINER TONNAGE REQUIRED TO BRING CONVENTION INTO FORCE UP TO 40 OR 50 PERCENT OF WORLD TOTAL). VIEWS WERE SPLIT ON RESERVATIONS CLAUSE, BUT COUPLE OF DELS THOUGHT 77 WOULD WISH TO EXCLUDE POSSIBILITY OF RESERVATIONS ON SUBJECTS COVERED BY PRESIDENT'S PACKAGE.

7. OTHER SUBJECTS: AT END OF MEETING ITALY RAISED PROBLEM OF COMPATIBILITY OF PROPOSED CODE PROVISIONS ON ADMISSION TO CONFERENCES AND CARGO-SHARING. SPECIFIC ITALIAN PROBLEM WAS MEANS OF AVOIDING UNDUE COMPETITION BETWEEN LINES OF SAME NATIONAL FLAG FOR LIMITED CARGO SHARE BY OTHER THAN DIRECT GOVERNMENT INTERVENTION AS LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 04 OECD P 04344 201238Z

NOW PROVIDED BY PARA.11 OF DRAFT CODE. SUBSEQUENT DISCUSSION REVEALED UNEASINESS OF SOME OTHER DELS (NETHERLANDS, FRN, NORWAY), ON PRESENT RELATIONSHIP OF SECTIONS B.1 (MEMBERSHIP) AND B.11 (PARTICIPATION IN TRADE) OF CODE. FRANCE WITHELD ALSO TO DISCUSS NEED FOR ADDITIONAL PROVISION IN CODE ESTABLISHING A) DEFINITION OF GOVERNMENT-CONTROLLED CARGO AND B) REQUIREMENT OF COMPATILILITY WITH CODE OF GOVERNMENTAL BILATERAL CARGO-SHARING AGREEMENTS, SO AS TO AVOID FRUSTRATION OR CIRCUMVENTION OF CODE'S CARGO-SHARING PROVISIONS. TIME DID NOT PERMIT DISCUSSION OF THESE IMPORTANT ISSUES.

8. UNCTAD QUESTIONNAIRES: SG EXCHANGED VIEWS ON STATUS OF RESPONSES TO SIX UNCTAD SECRETARIAT QUESTIONNAIRES OUTSTANDING (COSTS AND FREIGHT RATES, F.I.O. RATES, BANANAS, RICE, INTERMODAL TRANSPORT, AND PORT SURCHARGES). GROUP NOTED WORK BURDEN CREATED BY QUESTIONNAIRES, UNHAPPINESS OF UNCTAD SECRETARIAT WITH RESPONSES, AND

LIKELIHOOD THIS ISSUE WOULD BE DEBATED AT NEXT COMMITTEE
ON SHIPPING MEETING (JULY 74). SG WILL CONTINUE DIS-
CUSSION AT NEXT MEETING.

9. FUTURE MEETINGS: GROUP B WILL MEET AT 10.00 AT
GENEVA ON MARCH 11, OPENING DAY OF RESUMED UN CONFERENCE
ON CODE. (COORDINATORS REMAIN THE SAME AS IN NOV-DEC,
WITH DE GROOT OF NETHERLANDS AS CHIEF GROUP B
COORDINATOR). NEXT MEETING OF SG SCHEDULED FOR MAY 16-
17 IF COMMITTEE ON SHIPPING AGENDA AVAILABLE IN TIME;
OTHERWISE IT WILL BE LAST WEEK IN JUNE.
BROWN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MARINE TRANSPORTATION, MEETING PROCEEDINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974OECDP04344
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740221/aaaaatrn.tel
Line Count: 181
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. USOECD 4210 B. TD/CODE/7
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2002 by elyme>; APPROVED <03 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MTC: SPECIAL GROUP MEETING ON UNCTAD CODE OF CONDUCT FOR LINER CONFERENCES, FEB. 13-15
TAGS: ETRN, OECD, UNCTAD
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005